

**FORMING AN EFFECTIVE DEPOSIT MANAGEMENT STRATEGY  
IN THE BANKING SECTOR****Oleksandr Polianychko<sup>1</sup>, Maksym Shchelkunov<sup>2</sup>**<sup>1</sup> *PhD student, Classic Private University, Zaporizhzhia, Ukraine**Email: alexpolyana15@gmail.com, ORCID: <https://orcid.org/0009-0005-3858-2928>*<sup>2</sup> *PhD student, Classic Private University, Zaporizhzhia, Ukraine**Email: akkermanold123@gmail.com, ORCID: <https://orcid.org/0009-0009-0851-1722>*

**Abstract.** Deposit management is a critical component of financial stability and banking sector development. In the context of increasing macroeconomic volatility, effective deposit strategies ensure liquidity, mitigate risks, and foster public trust in financial institutions. This article explores the conceptual foundations and practical mechanisms of deposit management within the EU banking sector and contrasts them with the Ukrainian experience. The study focuses on institutional frameworks, deposit insurance systems, regulatory standards, and behavioral patterns of depositors. Based on comparative analysis of legal and financial data from the National Bank of Ukraine (NBU), the European Banking Authority (EBA), and relevant EU directives, the article identifies key differences in deposit maturity structures, currency composition, interest rate policies, and depositor confidence. The findings emphasize the importance of integrated legal frameworks, reliable deposit protection mechanisms, and customer-oriented banking practices. Recommendations are provided to optimize the currency structure of deposits, increase the share of long-term savings, and strengthen trust in the Ukrainian deposit insurance system.

**Keywords:** deposit management, EU banking sector, National Bank of Ukraine, deposit guarantee, financial stability, interest rate policy, depositor trust.

**INTRODUCTION.** In a modern financial system, deposits represent not only a source of funding for banks but also a fundamental indicator of economic confidence. The efficient management of deposit resources plays a vital role in ensuring liquidity, maintaining solvency, and supporting the lending capacity of financial institutions. As the banking sector evolves under the influence of digital transformation, regulatory convergence, and macroeconomic shocks, the question of how to form and implement a robust deposit management strategy becomes increasingly relevant — especially for emerging markets like Ukraine.

Across the European Union, deposit management is governed by harmonized legal standards, including the Directive 2014/49/EU on Deposit Guarantee Schemes, and supervised by institutions such as the European Banking Authority (EBA). EU member states have established mature frameworks that successfully combine competitive interest rate environments, strong depositor protection, and diversified deposit structures. These models have demonstrated their effectiveness during financial stress, contributing to the EU's overall banking resilience.

In contrast, Ukraine's banking system, shaped by post-crisis reforms and ongoing adaptation to EU norms, continues to face structural challenges, including high dollarization, limited long-term deposits, and fluctuations in depositor trust. Nevertheless, Ukraine has adopted a strategic course toward integration with the EU's legal and regulatory space, actively reforming its financial architecture under the guidance of the National Bank of Ukraine (NBU), aligning key instruments with European practices.

This article investigates the strategic dimensions of deposit management in both contexts — the EU and Ukraine — through a comparative legal and financial lens. It examines how regulatory frameworks, institutional capacities, and market practices contribute to the effectiveness of deposit mobilization and risk management. The ultimate goal is to derive evidence-based recommendations that can support Ukrainian regulators, policymakers, and commercial banks in

enhancing deposit strategies in line with European best practices, reinforcing financial system stability and supporting long-term economic growth.

**Problem Statement and Relevance.** The effective management of deposit resources plays a central role in maintaining financial sector stability and promoting sustainable economic development. In the European Union (EU), regulatory mechanisms for deposit protection and risk-based liquidity management have evolved into a comprehensive framework that enhances depositor confidence, reduces systemic risk, and ensures the availability of stable funding sources for banks. These mechanisms are supported by strong institutional capacity, harmonized legal standards (e.g., Directive 2014/49/EU), and a diversified financial infrastructure.

By contrast, Ukraine continues to face challenges in aligning its deposit management strategy with European standards. Although the National Bank of Ukraine (NBU) has implemented significant reforms in the aftermath of the 2014–2015 banking crisis — including the strengthening of the Deposit Guarantee Fund (DGF), improving prudential supervision, and introducing inflation targeting — several structural issues remain. These include:

- *high level of dollarization* in the deposit portfolio (over 30% as of 2023, according to NBU);
- *short deposit maturity*, with the majority of household deposits being placed for less than 12 months;
- *low trust in long-term savings instruments*, due to historical instability and crisis-induced losses;
- *volatile interest rate policies*, often influenced by macroeconomic shocks and political cycles.

In this context, the central research problem can be formulated as follows: *How can Ukraine develop an effective deposit management strategy that aligns with EU standards and enhances financial sector resilience, given its current structural constraints and institutional capacity?*

This question is particularly relevant as Ukraine accelerates its economic and legal integration with the EU. The need for a stable, predictable, and trustworthy deposit system becomes more urgent during periods of external stress — such as military conflict, global pandemics, or economic downturns — where deposit outflows may intensify. Without a well-designed deposit strategy, banks may face liquidity crises, reduced lending capacity, and deteriorating public trust.

Furthermore, the development of long-term, stable deposits contributes not only to financial resilience but also to investment-driven economic growth. In the EU, deposit structures are increasingly geared toward sustainability, diversification, and customer protection. For Ukraine, adopting similar principles — while accounting for national realities — may serve as a pathway toward financial modernization and crisis resistance.

### **Analysis of the latest researches and publications.**

#### *1. Deposit Management in the European Union*

The European Union has established a harmonized and institutionally integrated deposit management system governed primarily by the *Directive 2014/49/EU on Deposit Guarantee Schemes (DGSD)* [1]. This directive provides minimum requirements for deposit protection, including coverage limits (€100,000), payout deadlines, and financing structures (European Parliament and Council, 2014). Research by Avgouleas and Goodhart (2015) emphasizes the DGSD's role in reducing the risk of depositor panic and promoting systemic stability, particularly when linked to effective resolution regimes under the Bank Recovery and Resolution Directive (BRRD) [2].

The *European Banking Authority (EBA)* has published extensive empirical evaluations of DGS effectiveness and supervisory convergence, noting that national differences still persist in pre-funding levels, depositor outreach, and risk-based contributions (EBA, 2020) [3]. Scholars such as Huertas (2014) explore how regulatory frameworks interact with depositor confidence, arguing that institutional trust and transparency of guarantee mechanisms significantly shape deposit behavior, especially in low-interest-rate environments [4].

Moreover, ECB studies observe that in several EU member states, prolonged negative or near-zero interest rates have altered depositor preferences—shifting funds from term deposits to sight accounts and driving banks to innovate through flexible savings products and digital channels. This trend, however, has also increased liquidity risks for banks and challenged traditional models of deposit pricing (Claessens, Coleman, & Donnelly, 2018) [5].

### 2. Behavioral Dimensions of Depositor Trust and Strategy

Several recent contributions have examined depositor behavior under stress. Diamond and Rajan's (2001) [6] foundational model of liquidity transformation remains central to understanding the fragility of deposits during uncertainty. More recent behavioral finance research, such as that by Gennaioli, Shleifer, and Vishny (2015), integrates cognitive trust factors, suggesting that perceived safety, clarity of information, and experience with financial institutions significantly impact depositor reactions in crisis periods [6].

Empirical studies during the *COVID-19 pandemic* (IMF, 2021) confirmed these patterns across Europe: in countries with strong deposit insurance visibility and high public confidence in regulatory institutions, household deposits grew significantly despite income shocks. Conversely, in countries with lower institutional trust, deposit flight into foreign currencies or cash increased [8].

### 3. Deposit Management in Ukraine

Ukraine's deposit landscape is shaped by post-crisis reforms and ongoing efforts to align with EU financial standards. According to NBU Financial Stability Reports (2021–2023), the banking sector has experienced a gradual recovery in household and corporate deposits. However, high dollarization (around 35% of household deposits as of mid-2023), short maturities (mostly under 12 months), and historical mistrust continue to undermine deposit stability (NBU, 2023) [9].

Research by Kovalenko (2017) [10] and Kneysler, Spasiv, Marynychak, & Khomyn (2019) [11] identifies key structural weaknesses: limited usage of long-term savings products, underdeveloped interest rate differentiation by term, and low effectiveness of incentive programs for deposit growth. Despite the NBU's success in modernizing the Deposit Guarantee Fund (DGF) and introducing risk-based contributions, the coverage limit remains ₴200,000 (≈€4,900), far below EU equivalents—raising concerns about public confidence and adequacy in case of systemic stress.

International institutions such as the IMF (2022) and World Bank (2022) have encouraged Ukraine to reform its deposit insurance legislation, improve DGF funding adequacy, and adopt policies that discourage foreign-currency deposits, such as differentiated reserve requirements and targeted financial literacy campaigns [8; 12].

### 4. Research Gaps and the Need for Comparative Analysis

Despite abundant policy literature and regulatory analysis, there remains a *lack of integrated comparative research* focused specifically on deposit management strategies across the EU and Ukraine. Most academic studies treat deposit dynamics within either developed EU economies or transitioning post-crisis systems such as Ukraine but rarely provide systematic comparisons.

This article addresses this gap by synthesizing findings from both domains and evaluating:

- i. Legal harmonization of deposit protection mechanisms;
- ii. Behavioral dynamics of depositors in EU vs. Ukrainian contexts;
- iii. Interest rate strategies and maturity structures in competitive environments;
- iv. Institutional effectiveness of supervisory and guarantee schemes.

By combining *regulatory analysis*, *behavioral finance insights*, and *empirical macro-financial data*, the study contributes to a holistic understanding of how deposit management can be optimized in Ukraine during its trajectory toward European integration.

**Research Methodology.** This study applies a *comparative legal and financial research methodology* to evaluate the effectiveness of deposit management strategies in the European Union and Ukraine. The methodology combines normative legal analysis, macro-financial data comparison, and behavioral insights into depositor decision-making, with the aim of identifying best practices and gaps that inform strategic development.

#### 1. Comparative Framework

The comparative component focuses on:

- legal instruments and institutional models regulating deposits in the EU and Ukraine;
- core elements of deposit strategies, such as interest rate policy, deposit maturity structures, currency composition, and insurance coverage;
- the functioning and legal frameworks of deposit guarantee systems (DGSs) across EU countries versus the Deposit Guarantee Fund (DGF) in Ukraine.

The analysis draws on both horizontal comparison (EU countries among each other) and vertical comparison (EU benchmarks vs. Ukraine) to identify convergence and divergence in deposit management principles.

#### 2. Data Sources and Timeframe

The empirical basis of the study includes:

- statistical bulletins and Financial Stability Reports from the National Bank of Ukraine (NBU) (2018–2023);
- reports from the European Banking Authority (EBA), European Central Bank (ECB), and European Commission (particularly those assessing DGS performance and deposit trends across the EU);
- research publications from the IMF, World Bank, and peer-reviewed journals covering deposit behavior and regulatory frameworks;
- legislative acts: Directive 2014/49/EU (DGSD), Directive 2014/59/EU (BRRD), Law of Ukraine “On Households' Deposit Guarantee System”, and the Law of Ukraine “On Banks and Banking Activities.”

#### 3. Analytical Dimensions

The study evaluates deposit management strategies along five core dimensions:

Analytical Dimension	Indicators / Variables
Maturity Structure	Share of long-term vs. short-term deposits
Currency Structure	Hryvnia vs. foreign currency deposits (USD, EUR)
Interest Rate Strategy	Interest rate differentiation by term, deposit yields
Depositor Confidence	Deposit growth rates, withdrawals during crises, trust surveys
Institutional Protection	Coverage limit, payout speed, risk-based contributions to DGS

Each of these dimensions is assessed using both quantitative metrics (e.g., deposit volumes, terms, currency breakdown) and qualitative factors (e.g., legal clarity, policy consistency, transparency of insurance schemes).

#### 4. Behavioral Considerations

To capture depositor behavior and preferences, the study integrates:

- findings from academic literature on financial trust, risk aversion, and deposit mobility;
- surveys and public opinion data (e.g., Eurobarometer, NBU consumer trust indicators) when available;
- behavioral finance frameworks to interpret depositor responses during times of instability (e.g., conflict, inflation spikes, or bank failures).

#### 5. Limitations

The following limitations are acknowledged:

- not all EU member states apply identical standards beyond the DGSD minimums, which creates heterogeneity within the comparison group;
- some Ukrainian data, particularly in wartime (2022–2023), may reflect temporary policy distortions rather than structural patterns;
- the absence of detailed depositor surveys in Ukraine limits the behavioral dimension to indirect indicators.

Despite these constraints, the combined legal-institutional and data-driven approach provides a robust foundation for drawing policy-relevant conclusions about deposit management strategy effectiveness.

## MAIN RESEARCH RESULTS: COMPARATIVE ANALYSIS OF THE EU AND UKRAINE

This section presents a structured comparative analysis of deposit management strategies in the European Union and Ukraine across five key dimensions: maturity structure, currency composition, interest rate differentiation, depositor trust, and institutional protection mechanisms. The findings highlight both convergence trends and persistent asymmetries between Ukraine and the EU average, with practical implications for policy design.

### 1. Maturity Structure of Deposits

In the EU, the maturity structure of retail deposits is relatively balanced. According to ECB statistics (2022), approximately 45% of household deposits are placed in term deposits (typically 1–3 years), while 55% remain in sight or demand accounts. Several member states (e.g., Germany, Austria, Finland) have maintained a healthy base of longer-term deposits due to competitive interest rates, tax incentives, and deposit-linked investment products.

In contrast, Ukraine's deposit structure is heavily skewed toward short-term placements. As of Q2 2023:

- Over 80% of household deposits are held for terms shorter than 12 months;
- Only ~5% of deposits exceed 1 year in maturity;
- Corporate deposits are even more volatile, with up to 70% classified as demand deposits (NBU, 2023).

The comparison in Table 1 highlights the stark difference in long-term deposit volumes between the EU and Ukraine.

**Table 1. Comparison of Deposit Maturity Structures in the EU and Ukraine**

Country/Region	% of Long-Term (>1 year) Deposits	% of Short-Term (≤12 months)
EU (average)	~45%	~55%
Ukraine	~5%	~95%

*Source:* ECB (2022), NBU (2023), IMF (2021).

*Note:* Long-term deposits refer to those with an original maturity of more than 12 months; short-term includes sight and term deposits up to 1 year.

*Interpretation:* The short maturity in Ukraine increases rollover risk and limits banks' ability to lend long-term. EU practices show that promoting long-term deposits through tiered interest rates, deposit-linked savings plans, and state co-funded instruments (e.g., education or pension savings accounts) can balance liquidity and stability.

### 2. Currency Composition of Deposits

The euro dominates the currency structure of EU deposits. EU law prohibits currency mismatches in the majority of consumer financial products, and households typically hold deposits in their home currency or euros.

In Ukraine, however, dollarization remains high:

- as of June 2023, ~34% of total household deposits were denominated in foreign currencies (mainly USD and EUR);
- in the corporate sector, foreign currency deposits account for over 40%, reflecting exporter behavior and hedging motives.

The data in Table 2 reveals persistent dollarization in Ukraine's deposit base, contrasting with euro-dominated EU markets.

**Table 2. Currency Composition of Deposits: Share of Foreign vs. National Currency**

Indicator	EU (eurozone)	Ukraine
% of foreign currency deposits	<2% (non-eurozone)	~34% (households)
FX risk hedging instruments	Widely available	Limited, mostly for large corporates

*Source:* NBU (2023), ECB (2022), IMF (2022).

*Note:* Foreign currency deposits in Ukraine are primarily denominated in USD and EUR. EU figures refer to eurozone countries, where non-euro retail deposits are marginal or restricted.

*Interpretation:* High FX deposits in Ukraine reflect past inflation, currency devaluations, and trust deficits in the national currency. EU experience suggests that currency stability, monetary credibility, and financial literacy are essential to reduce dollarization. Policies such as differentiated reserve requirements and interest rate ceilings on FX deposits may accelerate de-dollarization.

### 3. Interest Rate Differentiation and Pricing Strategy

Interest rates are a key tool in shaping deposit structure. In the EU, interest rate spreads between term deposits and current accounts are modest, particularly under low-rate or negative-rate regimes. Many banks offer non-rate incentives, such as bundled digital services, savings goals, and loyalty programs.

Ukraine, in contrast, maintains aggressively high nominal interest rates due to elevated inflation expectations and central bank refinancing rates:

- in 2022–2023, average 12-month deposit rates exceeded 13–17% (UAH);
- FX deposits yield 0.1–1.5% depending on term and institution.

Table 3 presents the average interest rates on 12-month deposits in the EU and Ukraine, highlighting key differences in pricing strategies and deposit product design between the two systems. It reflects how inflation, monetary stability, and competition influence deposit yields and market segmentation.

**Table 3. Interest Rate Differentiation on Deposits: EU vs. Ukraine (2022–2023)**

Indicator	EU (avg)	Ukraine (2023)
Avg. 12-month deposit rate	1.5–2.5%	13–17% (UAH), ~1% (FX)
Use of tiered deposit products	Widespread	Limited
Negative rates in current/sight	Common (2015–21)	Not applied

*Source:* NBU Deposit Statistics (2023), ECB Interest Rate Reports (2022), World Bank (2022).

*Note:* Data reflect average annual interest rates for 12-month deposits. EU values exclude temporary promotional offers. Ukrainian data distinguish between local currency (UAH) and foreign currency (USD/EUR) deposits.

*Interpretation:* Ukraine's high deposit rates reflect both elevated inflation expectations and the need for banks to secure liquidity under volatile conditions. In contrast, EU banks rely more on service differentiation and non-price incentives, particularly in a low-interest-rate environment. The limited use of tiered products in Ukraine suggests underutilized potential for deposit segmentation and long-term savings mobilization.

### 4. Depositor Trust and Behavioral Patterns

Trust in financial institutions is a critical driver of deposit stability. Eurobarometer surveys show that over 60% of EU citizens express confidence in the safety of bank deposits, with national variations based on recent financial history.

In Ukraine, depositor trust remains fragile, despite progress since the banking crisis of 2014–2015. According to NBU data (2022):

- only 39% of surveyed households consider long-term bank deposits a safe savings option;
- deposit withdrawals spike during political or military shocks, regardless of underlying bank performance;
- DGF payouts during past liquidations have improved perceptions, but overall confidence is uneven.

*Interpretation:* The credibility of the deposit guarantee system, macroeconomic stability, and banking transparency are key trust drivers. EU countries emphasize public awareness campaigns, deposit coverage calculators, and rapid payouts (max 7 days under DGSD), while Ukraine still faces delays and low payout ceilings.

### 5. Institutional Protection Mechanisms: Deposit Guarantee Systems

The EU legal framework mandates minimum standards for national Deposit Guarantee Schemes (DGS), including:

- €100,000 coverage per depositor per bank;
- ex-ante fund pre-funding (target: 0.8% of covered deposits);

- 7-day payout deadlines;
- risk-based contributions.

Ukraine’s Deposit Guarantee Fund (DGF) is governed by national law but follows only partial alignment:

- coverage: €200,000 (~€4,900) — significantly below EU standards;
- payout period: up to 20 working days, often longer in practice;
- fund size: ~2.4% of covered deposits (NBU, 2023) — stronger than some EU states, but without full EU harmonization;
- risk-based contributions were introduced in 2019, in line with EBA guidance.

Table 5 outlines the legal and operational features of deposit guarantee mechanisms in the EU and Ukraine, emphasizing discrepancies in coverage, payout timelines, and institutional transparency that affect depositor confidence and system resilience.

**Table 4. Institutional Deposit Guarantee Mechanisms: Legal and Operational Comparison**

Feature	EU Standard	Ukraine
Coverage Limit	€100,000	€200,000 (~€4,900)
Payout Time	≤ 7 working days	Up to 20 days
Risk-Based Contributions	Mandatory	Partially implemented
Fund Transparency	High (EBA reports)	Improving (via NBU)

*Source:* Directive 2014/49/EU, NBU Deposit Guarantee Fund Report (2023), EBA DGS Peer Review (2021), Law of Ukraine “On the Household Deposit Guarantee System”.

*Note:* Comparative indicators reflect regulatory standards and implementation practices related to coverage ceilings, payout efficiency, funding mechanisms, and public reporting.

*Interpretation:* Ukraine's deposit guarantee system has achieved operational maturity but still lags behind the EU in legal convergence. Extended payout timelines, lower coverage limits, and the incomplete implementation of risk-based funding weaken depositor trust. EU practice underscores the importance of regulatory clarity, harmonized standards, and transparent communication to enhance financial stability.

Table 5 presents a consolidated overview of the five analytical dimensions explored in this study, highlighting the principal structural asymmetries between deposit management practices in the EU and Ukraine.

**Table 5. Summary of Key Differences in Deposit Management Strategies: EU vs. Ukraine**

Dimension	EU Practice	Ukraine Practice	Gap / Implication
Maturity Structure	Balanced (term + current)	Highly short-term	Limits bank stability and lending horizon
Currency Composition	Mostly in EUR/home currency	High dollarization (~34%)	FX mismatch, vulnerability to devaluation
Interest Rate Policy	Moderate, service-driven	High nominal rates to attract deposits	Costly for banks, may distort competition
Depositor Trust	Generally high	Moderate and reactive to shocks	Requires sustained confidence-building efforts
Guarantee Mechanisms	Harmonized, fast payout	Lower coverage, slower payout	Legal reforms needed for convergence

*Source:* Compiled by the author based on data from NBU (2023), EBA (2021), ECB (2022), and Directive 2014/49/EU.

*Note:* Data reflect national-level deposit practices as of 2022–2023. FX = foreign currency (USD/EUR).

The table illustrates that Ukraine’s deposit system continues to exhibit vulnerabilities across all dimensions. In contrast to the EU’s harmonized and resilient framework, Ukraine faces risks arising from liquidity instability, currency mismatches, and underdeveloped institutional guarantees.

**Discussion.** The comparative analysis reveals a structural asymmetry between deposit management strategies in the EU and Ukraine across multiple dimensions. While EU banking systems benefit from a high degree of harmonization, institutional stability, and depositor confidence, Ukraine's deposit market continues to face legacy challenges such as short maturities, high dollarization, and fragmented trust in the banking system.

A critical insight is that interest rate differentiation alone is insufficient to sustain long-term deposit inflows. In Ukraine, elevated nominal rates attract liquidity but fail to foster durable savings behavior. EU experience demonstrates that legal stability, transparent guarantees, and customer-focused deposit products are equally important in shaping depositor preferences.

Another key point is the role of financial trust as a strategic asset. The relatively low confidence in Ukrainian deposit protection mechanisms—despite operational improvements in the Deposit Guarantee Fund—continues to limit the effectiveness of state-backed incentives. EU countries, on the other hand, have embedded deposit protection into broader financial consumer rights legislation, strengthening public expectations of safety and recourse.

The study also underscores the strategic importance of currency composition. While the euro serves as a unifying and stabilizing factor across EU member states, Ukraine's persistent dollarization increases the risk of exchange rate mismatches and complicates monetary policy transmission. De-dollarization requires not only macroeconomic stability, but also targeted regulatory and educational policies that encourage use of the national currency.

Finally, the observed divergences in institutional capacity, particularly in risk-based funding and payout timelines, indicate that legal approximation to EU standards is a necessary but not sufficient condition for convergence. Practical implementation, oversight credibility, and cross-sectoral cooperation must accompany formal alignment.

**Policy Recommendations.** Based on the findings, the following policy directions are recommended for improving Ukraine's deposit management strategy in line with European best practices:

**1. Encourage Long-Term Deposit Behavior**

- introduce tiered interest rates with clear benefits for medium- and long-term placements;
- provide tax incentives for deposits exceeding one year, linked to education, housing, or pension goals;
- promote deposit-linked digital savings products to appeal to younger and tech-oriented demographics.

**2. Accelerate De-dollarization**

- tighten reserve requirements for FX-denominated deposits;
- launch public campaigns on the benefits and protections of UAH deposits;
- increase availability of hedging instruments for SMEs and exporters to reduce demand for FX savings.

**3. Strengthen the Deposit Guarantee Fund (DGF)**

- gradually raise the coverage limit to approach the EU benchmark (€100,000 equivalent);
- reduce payout delays through automated compensation systems;
- ensure full implementation of risk-based contribution mechanisms and improve public access to DGF performance reports.

**4. Build Depositor Trust**

- introduce deposit guarantee calculators and information portals explaining DGF coverage in simple terms;
- conduct financial literacy programs focused on risk-awareness and deposit product comparisons;
- integrate consumer protection laws on disclosure of terms, fees, and early withdrawal penalties.

**5. Advance Legal Harmonization**

- align national legislation on deposit protection and resolution with Directive 2014/49/EU and Directive 2014/59/EU;

- foster cross-border supervisory cooperation with EU banking authorities and the Single Resolution Board (SRB);
- participate in peer review mechanisms under the EBA to benchmark progress and best practices.

**CONCLUSION.** This study has demonstrated that effective deposit management is a multidimensional policy challenge, requiring coordination between legal frameworks, macroeconomic conditions, and behavioral incentives. Through a structured comparative analysis across five analytical dimensions—maturity structure, currency composition, interest rate strategy, depositor trust, and institutional guarantees—significant gaps were identified between Ukraine’s current practices and those of the European Union.

While Ukraine has made notable strides in stabilizing its financial sector and reforming its deposit insurance framework, challenges persist. These include a high share of short-term and foreign-currency deposits, limited trust in long-term savings products, and incomplete alignment with EU-level legal standards such as Directive 2014/49/EU. These structural weaknesses continue to limit financial system resilience and hinder the mobilization of long-term domestic resources.

To address these gaps, Ukraine must adopt a forward-looking strategy grounded in promoting a long-term savings culture, enhancing the credibility and transparency of its deposit guarantee mechanisms, and accelerating legal harmonization with EU directives. Importantly, the EU offers not a one-size-fits-all template, but a set of tested principles adaptable to Ukraine’s institutional and economic realities.

The insights presented in this study aim to support Ukrainian regulators, financial institutions, and policymakers in crafting a modern, risk-aware, and trust-based deposit management strategy. Such a strategy is vital not only for macro-financial stability but also for Ukraine’s broader European integration trajectory.

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